

**Kalamazoo Public Library
OFFICIAL MINUTES OF THE BOARD OF TRUSTEES
REGULAR SESSION**

DATE: May 23, 2011
 TIME: 4:00 p.m.
 LOCATION: Eastwood Branch Library
 1112 Gayle
 Kalamazoo, MI 49048

PRELIMINARY BUSINESS

Trustees present: Cynthia Addison, Robert Brown, Lisa Godfrey, Cheryl TenBrink,
James Vander Roest and Valerie Wright

Absent: Fenner Brown

Agenda Approval: The agenda was amended to add a “Legislative Update” report as V. E. on the agenda and a discussion regarding adding an “Open Discussion” item to board meeting agendas as VII. A.

Call to order: President Godfrey called the meeting to order at 4:00 p.m.

I. RECOGNITIONS, RESOLUTIONS, COMMUNICATIONS

A. Resolution: Public Hearing on Preliminary Budget for 2011/2012

Recommendation: Director Rohrbaugh recommended the board adopt a resolution authorizing a public hearing at 4:00 p.m. on June 20, 2011 on the 2011/2012 proposed preliminary budget.

MOTION: **J. VANDER ROEST MOVED AND R. BROWN SUPPORTED THE MOTION TO ADOPT THE RESOLUTION AUTHORIZING A PUBLIC HEARING ON THE PROPOSED 2011/2012 PRELIMINARY BUDGET.**

Executive Summary: It is necessary to hold a public hearing on the proposed budget and publish notice of the hearing as detailed in the attached resolution to legally set the millage rate that supports the budget and allows the authorized property taxes to be collected for operation of the library.

Roll Call Vote: **R. Brown – yes; J. Vander Roest – yes; C. TenBrink – yes; C. Addison – yes; V. Wright – yes; L. Godfrey – yes.**



Motion carried 6-0.

II. PERSONS REQUESTING TO ADDRESS THE BOARD

No one addressed the board.

III. CONSENT CALENDAR

A. Minutes of the Board Meeting of April 25, 2011

B. Personnel Items

Dan Hoag joined the salaried library staff in the position of Catalog Librarian I FTE 1.0 in the Technical Services/IT department effective May 1, 2011. Dan has worked as a substitute librarian at KPL since August 2009.

Eleanore Chadderdon joined the salaried library staff in the position of Librarian Associate FTE .5 in the Adult Services Department effective May 16, 2011. Eleanore has been employed as a library aide at KPL since February 2006.

Discussion: J. Vander Roest asked if it is common to hire substitutes for salaried positions since their work is known. A. Rohrbaugh replied it is not common, but does happen; working in an hourly capacity does allow one's work to be known, which can be an advantage to an applicant.

Disposition: The board accepted the Minutes of the Meeting of April 25, 2011 and the Personnel Items as presented.

IV. FINANCIAL REPORTS

A. Financial Reports for the Period Ending April 30, 2011

Recommendation: A. Rohrbaugh recommended the board accept the Financial Reports for the Period Ending April 30, 2011 as presented.

Executive

Summary: This month's reports refer to the budgets that will be presented later in this meeting.

MOTION: C. TENBRINK MOVED AND V. WRIGHT SUPPORTED THE MOTION TO ACCEPT THE FINANCIAL REPORTS FOR THE PERIOD ENDING APRIL 30, 2011.



Motion carried 6-0.

V. REPORTS AND RECOMMENDATIONS

ACTION ITEMS

A. Budgets

Recommendation: The director recommended the board take the following action by separate motions and votes:

1. Approve the "General Operating Revised Close Estimate Budget for FY Ending June 30, 2011."
2. Receive for review the "General Operating Preliminary Budget for FY Ending June 30, 2012."
3. Approve the "Special Revenue Funds Revised Close Estimate Budget for FY 2010-2011" and the "Special Revenue Funds Preliminary Budget for FY 2011-2012."
4. Approve the "Capital Improvement Plan for the Three Years Ending June 30, 2013."

Executive

Summary:

General Operating Revised Close Estimate Budget for Fiscal Year ending June 30, 2011: incorporates the final revisions for the fiscal year. Property tax revenue has been adjusted to reflect final settlements and local gifts and grants have been increased to reflect amounts received for Reading Together and ONEplace. Expenditures have been adjusted to reflect unanticipated staff vacancies, repair of Eastwood's driveway, the continuation of tax reimbursements, processing costs for audio visual materials, and professional services and training for upgrade of the accounting system. The net result of all adjustments to revenue and expenditures is an additional \$258,880 being added to fund balance to be carried over to fiscal year 2011-2012.

MOTION:

J. VANDER ROEST MOVED AND V. WRIGHT SUPPORTED THE MOTION TO APPROVE THE "GENERAL OPERATING REVISED CLOSE ESTIMATE BUDGET FOR FISCAL YEAR ENDING JUNE 30, 2011."

Discussion:

J. Vander Roest noted that as is typical of KPL management, budgets were developed conservatively in order to avoid bad news at this time of the year. He commended the Library Director and the Director of Financial Services for their responsible and prudent management.



Motion carried 6-0.

Executive
Summary:

General Operating Preliminary Budget for Fiscal Year ending June 30, 2012: is based upon the continued decline in property tax revenue of approximately 3% and the loss of Renaissance Zone reimbursements through the State of Michigan. Overall, total revenue is estimated to decline by 4.1% from fiscal year 2010-2011 and a total of 6.6% lower than total revenue received in fiscal year 2009-2010, representing revenue losses of over \$818,000 over a two year period. The expenditures budget for fiscal year 2011-2012 is based upon current staffing and service levels with reductions totaling over 1.3% from the prior year. Support of the Capital Improvement Plan has been reduced to \$100,000 for the Preliminary Budget and the transfer to support debt service equals amounts due during 2012 for payment of principal and interest due on the 1996 Library Facilities Bond Issue. Revenue over expenditures for the Preliminary Budget is budgeted at \$6,932 for the fiscal year with the final Unassigned Fund Balance equaling \$269,496.

The director noted that following the public hearing on June 20, this budget will come back to the board for approval. The decline in revenue is slightly less than anticipated, down from 3% to 2.3%. Most worrisome is the Capital Improvement Plan. We were only able to move \$100,000 to this budget, not nearly enough.

Disposition:

Trustees accepted the budget for review.

Executive
Summary:

Special Revenue Funds Revised Close Estimate Budget for FY 2010-2011 and the **Special Revenue Funds Preliminary Budget for FY 2011-2012** recognize continuation of *Ready to Read* and other gifts and grants. New initiatives included in the Preliminary Budget for FY 2011-2012 include a History Room project to digitize public domain Kalamazoo Gazette issues and ONEplace special projects.

MOTION:

J. VANDER ROEST MOVED AND R. BROWN SUPPORTED THE MOTION TO APPROVE THE "SPECIAL REVENUE FUNDS REVISED CLOSE ESTIMATE

BUDGET FOR FY 2010-2011" AND "THE SPECIAL REVENUE FUNDS PRELIMINARY BUDGET FOR FY 2011-2012."



Motion carried 6-0.

The “**Capital Improvement Plan for the Three Year Period Ending June 30, 2013**” shifts the three year budget forward one year. Modest allocations for 2011-2012 and corrections for projects previously budgeted in 2010-2011 include Genre Fiction Signage, Oshtemo parking lot repair, initial funding for a two-year project to replace and convert staff and lab computers to Windows 7, replacement of wireless access points, wireless printing, replacement of the management server, and the replacement of public chairs. All additional requests and identified projects have been placed on hold until mid-year budget adjustments are made next year.

J. VANDER ROEST MOVED AND V. WRIGHT SUPPORTED THE MOTION TO APPROVE THE “CAPITAL IMPROVEMENT PLAN FOR THE THREE YEAR PERIOD ENDING JUNE 30, 2013.”



Motion carried 6-0.

B. Fund Balance Policy

Recommendation: Director Rohrbaugh recommended the board approve a Fund Balance Policy.

Executive Summary:

The fund balance policy is being recommended to address the implications of Governmental Accounting Standards Board (“GASB”) Statement No. 54, *Fund Balance Reporting and Governmental Fund Definitions*, which becomes effective with fiscal year ending June 30, 2011. The policy allows Kalamazoo Public Library to classify and present fund balance in a manner that provides transparency and clarity. This policy will help ensure that adequate fund balances and reserves are maintained in order to provide sufficient cash flow for daily financial needs, offset significant economic downturns or revenue shortfalls, and provide funds for unforeseen expenditures related to emergencies.

MOTION: J. VANDER ROEST MOVED AND C. ADDISON SUPPORTED THE MOTION TO APPROVE THE FUND BALANCE POLICY AS PRESENTED.

Discussion: In answer to a question from R. Brown, D. Schiller, Head of Financial Services indicated the policy language is “boiler plate,” and that the policy is not required, but without a policy we are limited in how the fund balance can be presented in the budget document.



Motion carried 6-0.

C. Social Networking Policy

Recommendation: Director Rohrbaugh recommended the board approve a Social Networking Policy for Kalamazoo Public Library Patrons.

Executive Summary:

It is strongly recommended that public institutions that permit comments through various social networking tools have a board approved policy to set the terms of use and rules. She indicated she expects to bring a social networking policy for KPL staff to a future meeting.

MOTION: V. WRIGHT MOVED AND C. ADDISON SUPPORTED THE MOTION TO APPROVE THE SOCIAL NETWORKING POLICY FOR KPL PATRONS AS PRESENTED.

Discussion: In answer to questions from trustees, the director confirmed that blogs on our website are moderated and that this policy will be used to answer patron questions or address

misbehavior; it will be included with the rest of the board approved policies on the web page.



Motion carried 6-0.

D. Compensation Pools for Administrators and Supervisory/Technical Employees

Recommendation: Director Rohrbaugh recommended board approval of compensation adjustment pool not to exceed \$80,000 for Administrator and Supervisory-Technical compensation adjustment for fiscal year 2011/2012, divided as follows:

Supervisory/Technical:	\$50,000
Administrator:	\$30,000

Executive Summary:

These pools are based on expected rate changes in fringe benefits and salary adjustments for those employees moving through the salary range and not at the top of the scale for their classification.

This allocation is included in the preliminary operational budget reviewed by the Finance and Budget Committee.

MOTION: J. VANDER ROEST MOVED AND R. BROWN SUPPORTED THE MOTION TO APPROVE A COMPENSATION ADJUSTMENT POOL NOT TO EXCEED \$80,000 FOR ADMINISTRATOR AND SUPERVISORY-TECHNICAL COMPENSATION ADJUSTMENT FOR FISCAL YEAR 2011/2012 AS PRESENTED.



MOTION CARRIED 6-0.

REPORTS

E. Legislative Update

Presentation: Diane Schiller provided an update on various state house and senate bills being considered that could impact the library in a variety of ways including fringe benefits costs to employers/employee and bargaining contract provisions.

Disposition: Trustees appreciated the report and agreed that for the time being such an update will be included on the monthly board agenda.

F. Action Plan for 2011-2012

Presentation: Director Rohrbaugh distributed the *Action Plan: Initiatives to Support the Strategic Plan for 2010-2012* for board information. The plan replaces the “Tactical Plan” of previous years. This Action Plan directly relates to our strategic plan.

This document repeats the service response / priority, the goals, and the objectives from the strategic plan. The new portion is the list of activities we will undertake in 2011-12 to support each goal and hopefully meet the objectives.

At the end of the document, after the five priorities, is a list of initiatives we plan to undertake that are system-wide or related to operations, but not related to any one priority.

Despite reductions in both staff and revenues the past few years and the upcoming year, staff has developed a challenging list of initiatives. The strategic plan is giving focus to our work.

Discussion: In response to a question about whether any of the objectives have been changed, Director Rohrbaugh indicated we will be looking at those in August after a full year of strategic plan implementation. There were several questions requiring some explanation about specific activities and related costs.

Disposition: The board accepted the Action Plan.

REPORTS

G. Eastwood Branch

Presentation: **Kevin King** indicated **Teresa Malinowsky-Rakowsky**, Eastwood lead librarian, would talk about some of the initiatives that have been put in place as a result of strategic plan objectives and the empowerment of staff to make changes to improve the patron experience.

T. Malynowsky-Rakowsky told the board about the aggressive weeding, rearrangement and placement of various materials, and integration of paperbacks with hardcovers with the result that circulation figures have trended up dramatically over the last year. Circulation has more than doubled from March 2010 to March 2011 and the numbers are similar for April. She also outlined the planned children's summer programs indicating there will be a heavy emphasis on animal related activities.

Disposition: Trustees appreciated receiving the information and were very pleased with the dramatic increase in materials' circulation.

VI. COMMITTEE REPORTS

Finance & Budget Committee

J. Vander Roest: indicated the committee had a very productive meeting regarding the budgets presented earlier in the meeting.

Personnel Committee

V. Wright: the committee has been working on the director's evaluation which will take place during a closed session after the other items on the meeting agenda have been completed.

Fund Development and Allocation Committee

L. Godfrey: the committee has not met, but periodic reports received on KPL's investments have been good.

Building Committee:

A. Rohrbaugh: the committee has a meeting scheduled next week.

VII. OTHER BUSINESS

A. Open Discussion Item

Presentation: Trustee Robert Brown proposed adding an open discussion item to the monthly board agenda to give trustees the opportunity to have an open discussion regarding topics they would like to discuss. He suggested that if trustees felt this was a good idea that a topic he would like to lead off with at next month's meeting is consolidation of services with others.

Discussion: Trustees generally felt that providing this opportunity on the agenda would be a good idea to try, but do not want management to have to spend time researching background information unnecessarily. Most felt the consolidation topic was not an imminent problem for libraries, but that it would be worth talking about.

Disposition: The open item discussion with a time limit will be added to the June agenda to try out the concept; the topic for June's discussion will be the consolidation of services.

B. Director's Report

Presentation: The director drew attention to several of the items in her monthly written report, including the annual staff recognition breakfast to be held on June 9, summer library hours, the summer reading games kick-off on June 15 and an update on Oshtemo repair projects. She also noted the library passed the 1,000,000 circulation mark in April – last year we passed that mark in June, so we are on track for a record breaking year.

L. Godfrey noted the fourth graders from last year's winning Global Reading Challenge team remained intact this year and returned as the winning 5th grade team with a perfect score. She also mentioned she tried to sign up for the upcoming genealogy workshop, but registration was closed within 3-1/2 hours.

VIII. PERSONS REQUESTING TO ADDRESS THE BOARD

No one addressed the board.

IX. TRUSTEE COMMENTS

C TenBrink is looking forward to upcoming library events.

C. Addison talked with a woman who was exceedingly grateful for help she received from KPL while working on her doctorate.

V. Wright thanked the Finance & Budget committee and staff members involved for all their work on the budget.

J. Vander Roest was pleased with T. Malynowsky-Rakowsky's report and commended her and the Eastwood staff for their outstanding work.

R. Brown enjoys meeting at the branches.

L. Godfrey mentioned the recent YWCA Women of Achievement Awards event. Not only was she pleased to be in attendance to honor Mary Doud, but it was pleasant for trustees and staff to be able to socialize in a non library setting.

X. EXECUTIVE SESSION

President Godfrey noted the director requested a closed session for the purpose of conducting her annual evaluation and asked for a motion.

MOTION: R. BROWN MOVED AND V. WRIGHT SUPPORTED THE MOTION TO MOVE TO EXECUTIVE SESSION TO CONDUCT THE DIRECTOR'S ANNUAL EVALUATION.

Roll Call Vote: R. Brown – yes; J. Vander Roest – yes; C. TenBrink – yes; C. Addison – yes; V. Wright – yes; L. Godfrey – yes.



MOTION CARRIED 6-0. The meeting moved to executive session at 5:35 p.m.

MOTION: V. WRIGHT MOVED AND C. TENBRINK SUPPORTED THE MOTION TO RETURN TO OPEN SESSION.

Roll Call Vote: R. Brown – yes; J. Vander Roest – yes; C. TenBrink – yes; C. Addison – yes;
V. Wright – yes; L. Godfrey – yes.



MOTION CARRIED 6-0. The meeting returned to open session at 5:45 p.m.

MOTION:

THE PERSONNEL COMMITTEE RECOMMENDED DIRECTOR ROHRBAUGH'S CONTRACT BE EXTENDED FOR ONE YEAR AT HER CURRENT SALARY AND BENEFITS PACKAGE.



MOTION CARRIED 6-0.

XI. ADJOURNMENT Hearing no objection, President Godfrey adjourned the meeting of the Kalamazoo Public Library Board of Trustees at 5:50 p.m.

Fenner Brown, Secretary